

FISCAL NOTE

Bill #: HB0462

Title: Early childhood school readiness initiative

Primary Sponsor: Buzzas, R

Status: As Introduced

Sponsor signature	Date	David Ewer, Budget Director	Date
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Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
General Fund	\$350,000	\$350,000
Revenue:		
General Fund	\$0	\$0
Net Impact on General Fund Balance:	(\$350,000)	(\$350,000)

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Department of Public Health and Human Services

1. This bill provides a statutory appropriation to the Department of public Health and Human Services (DPHHS) to implement and manage an early childhood school readiness program.
2. The program services identified in this bill will be conducted through the grant process. That process will require development of a request for proposal (RFP). The development of an RFP involves the use of staff time (included in the FTE calculation in assumption 3 below), statewide advertisement of the RFP at a cost of \$860, and the cost of per diem of \$650 for public evaluators for the RFP. Total estimated costs associated with the RFP process are \$1,510 (\$860 + \$650 = \$1,510).
3. The existing Montana Early Childhood Advisory Council (MECAC) will perform the function of supplying statewide input and direction for the formulation of the RFP process. There is no additional cost for this function.
4. Management of these statewide grants, contracting, training, and program monitoring will require an additional 0.20 FTE assigned to the Early Childhood Services Bureau. The 0.20 FTE will be a grade 15 at a cost of \$8,378 in FY 2006 and \$8,378 in FY 2007.
5. Direct operating expenses to support communications are projected at \$9,963 in FY 2006 and \$6,987 in FY 2007.
 - a. FY 2006 - \$1,273 + \$1,703 + \$6,987 = \$9,963

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(continued)

- i. New Employee Computer - \$1,273
 - ii. New Employee Package - \$1,703
 - iii. Operating costs - \$6,987 (including phone, rent, travel, etc.)
 - b. FY 2007 - \$6,987
6. Grants available to participating child care providers to carry out the intent of this bill would be awarded in the amount of \$330,149 in FY 2006 and \$333,125 in FY 2007.
7. This program will be paid for with 100 percent general funds as appropriated in this bill.

FISCAL IMPACT:

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
FTE	0.20	0.20
<u>Expenditures:</u>		
Personal Services	\$8,378	\$8,378
Operating Expenses	\$11,473	\$8,497
Benefits	<u>\$330,149</u>	<u>\$333,125</u>
TOTAL	<u>\$350,000</u>	<u>\$350,000</u>
<u>Funding of Expenditures:</u>		
General Fund (01)	\$350,000	\$350,000
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	(\$350,000)	(\$350,000)